GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Industries & Commerce (Prog.III) Department - Proposal of Sri Lalitha Enterprises Industries Pvt., Ltd., regarding establishing new project of Maida Rolling Flour Mill and Chakki Atta Grinding Flour Mill at Peddapuram East Godavari District - Request for sanction of subsidies/incentives – Orders – Issued - Reg.

INDUSTRIES & COMMERCE (PROGRAMME-III) DEPARTMENT

G.O.MS.No. 52 Dated: 20-04-2016
Read the following

1. From the Managing Director, Sri Lalitha Enterprises Industries Pvt., Ltd., letter dt.09.09.2015.
2. Note received from the Chief Executive Officer, A.P., Food Processing Society,Hyd.,Note No.APFPS /Sri Lalitha Enterprises /2015, dt.08.02.2016.

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O R D E R:-

In the reference 1st read above, the Managing Director, Sri Lalitha Enterprises Industries Pvt., Ltd., Peddapuram, East Godavari District has requested to sanction subsidies / incentives to the proposed Maida Rolling Flour Mill and Chakki Atta Grinding Flour Mill at Peddapuram with an investment of Rs.60 Crores. He has further stated that he is planning to install Silos for 40000 mts storage capacity with latest technology machinery to produce 5 varieties of Maida and Chakki Atta in his own land, and also proposed to import raw material like wheat from Australia and other European Countries through Kakinada Seaport as the proposed industry is very close to Seaport and well connected to state high ways in East Godavari District. He has also stated that they are selling their premium quality rice, idly rava in the States of A.P, Kerala, Assam, West Bengal etc., through 2500 whole sellers; the proposed project provides employment to 1500 people (Direct and Indirect).

2. In the reference 2nd read above, the Chief Executive Officer, AP Food Processing Society have furnished his report on the representation of Chakki Atta Grinding Flour Mill, stating that as per the A.P. Food Processing Policy 2015-20 , Flour Mills (Chakki Atta Grinding Flour Mill) are ineligible for sanction of subsidies and other fiscal incentives. However, the Roller Flour Mills are eligible as per the Policy. However, due to change of Industry profile, large investments are being made in Chakki Atta Grinding Flour Mills like Aashirvaad Atta by ITC all over the Country. Several States have been encouraging the Chakki Atta Grinding Flour Mills and permitting incentives to encourage the sector.

3. The Chief Executive Officer, A.P., Food Processing Society, Hyderabad has further stated that in A.P Food Processing Policy 2010-15, which lapsed in 2015, Government issued Orders making the "Food grain Milling/Processing using modern technology and equipment, except Rice Mills"as eligible. In addition the Ministry of Food Processing Industries, Govt., of India issued guidelines under National Mission for Food Processing (NMFP) as per Item No.11, informed that, States already having well developed and Milling Industry may consider focusing on other Horticulture/Agriculture products and proposals under all sub sectors including grain milling (rice, oil milling) are eligible for assistance under this scheme.

4. In view of the changing lifestyles, demand for Chakki Atta for daily use, huge investment of about Rs.60 Crores being made in the Unit, employment of around 1500 people and high quality standards expected as giants like ITC having their brand, 'Aashirvaad' in the market, Government may consider permitting Chakki Atta Grinding Flour Mills as eligible for sanction of investment subsidy and fiscal incentives with a minimum capacity of 50 Tons per day to attract sizeable investments in this sector. The Government has also entered into MoU at Visakhapatnam in the Partnership Summit held in January, 2016.

5. Government after careful examination of the report of the Chief Executive Officer, Andhra Pradesh Food Processing Society, Hyderabad hereby decide that Chakki Atta Grinding Flour Mills are also eligible for sanction of investment subsidy and fiscal incentives to attract sizeable investments in this sector under A.P., Food Processing Policy, 2015-20 and permitted to extend the subsides/fiscal incentives to Sri Lalitha Enterprises Industries Pvt. Ltd., as per A.P., Food Processing Policy, 2015-20.

6. The Chairman, AP Food Processing Society, Hyderabad/the Chief Executive Officer, A.P, Food Processing Society, Hyderabad shall take necessary action, accordingly and intimate the status of the progress of work done by the unit from time to time to the Government.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

M. GIRIJA SHANKAR,
SECRETARY TO GOVERNMENT(M&G & FP)

To
The Chairman, AP Food Processing Society, Hyderabad.
The Chief Executive officer, Andhra Pradesh Food Processing Society, Hyderabad.
Sri Lalitha Enterprises Industries Pvt., Ltd.,, through the Director of Industries / Chief Executive officer, Andhra Pradesh Food Processing Society, Hyderabad.
The Director of Industries, AP. Hyderabad.

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The Irrigation (Reforms) Department
The Law (J) Department
The Industries and Commerce (Prog.III) Department
The Accountant General, Andhra Pradesh, Hyderabad
The Commissioner of Commercial Taxes, Hyderabad
The Chairman & Managing Director, APTRANSCO., Hyderabad
The Vice Chairman & Managing Director, APIIC, Hyderabad
P.S. to Secretary to Chief Minister
P.S. to Chief Secretary to Government
P.S. to Secretary to Government (M&G and FP) , Ind., & Com., Dept.,
SC/SF.

//FORWARDED :: BY ORDER//

SECTION OFFICER